



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Ted Stewart
Executive Director

James W. Carter
Division Director

1594 West North Temple, Suite 1210

Box 145801

Salt Lake City, Utah 84114-5801

801-538-5340

801-359-3940 (Fax)

801-538-7223 (TDD)

March 6, 1997

CERTIFIED RETURN RECEIPT

P 074 976 569

Mark Hardman
Larson Limestone Company
3280 North Frontage Road
P.O. Box 366
Lehi, Utah 84043

Re: Failure to Post Interim Reclamation Surety, Larson Limestone Company, Larson Limestone Quarry, M/049/011, Utah County, Utah

Dear Mr. Hardman:

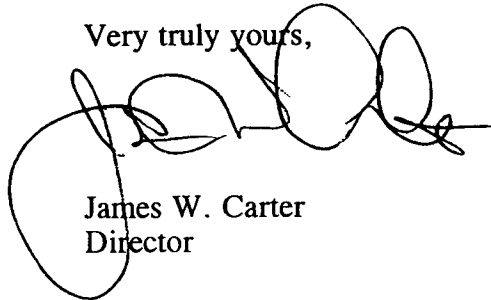
On September 25, 1995, the Utah Supreme Court upheld the Utah Board of Oil, Gas and Mining August 19, 1994 Decision, which required Larson Limestone Company to file a Large Mining Operation Notice of Intention with the Division. The Board's Order also required Larson Limestone Company to post an interim reclamation surety, if the application had not been approved within three (3) months of filing. Larson Limestone submitted a large mining permit application on August 2, 1996. On September 17, 1996, the Division sent Larson Limestone a completeness review document listing technical deficiencies that needed to be addressed before the application could be approved. To date, we have not received a response to our initial review. A large mining permit has not been approved and an interim reclamation surety has not been posted within the time frames established by the Board Order.

Larson Limestone is hereby directed to take **immediate** action to post a \$50,000 interim reclamation surety with the Division. Further, Larson Limestone is directed to submit a complete technical response to the Division's September 17, 1996, review document within 45 days of receipt of this letter. Failure to comply with this directive will constitute a willful violation of the Utah Mined Land Reclamation Act and its interpretive rules. An operator found guilty of a willful violation of the Act can be subject to penalties of up to \$10,000 per violation.

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Mark Hardman
M/049/011
March 6, 1997

Accordingly, Larson Limestone is advised to immediately contact the Division to resolve this matter, or it will be turned over to our Assistant Attorney General's office for appropriate processing. Please contact me, D. Wayne Hedberg, or have your attorney contact Dan Moquin, Assistant Attorney General at (801) 538-5243, if you have questions concerning the requirements of this letter.

Very truly yours,

A handwritten signature in black ink, appearing to read 'James W. Carter', with a large circular flourish at the end.

James W. Carter
Director

jb
Enclosures: Board Order (operator only)
cc: John Blake, SITLA
Dan Moquin, AG's Office
Buck Rose, Utah County
Mary Ann Wright, Associate Director, Mining
Wayne Hedberg, Permit Supervisor
m041011.nac

1. <input type="checkbox"/> Show to whom all your data and copies are released. (Explain why)	2. <input type="checkbox"/> Result of polymer (Explain why)
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Article Number

0741976569

Type of Service

Registered

✓ Certified

Express Mail **Return Receipt
for Merchandise**

Always obtain signature of address

Amount and DATE DELIVERED

18 Addressee's Address (ONT) (b) (6)

requested and fee paid)

Abstract

of "Mining Operation" as that term is used in Utah Code Ann. § 40-8-4(8)(b) (1988), and is not a "rock aggregate" operation as that term is used in Utah Code Ann. § 40-8-4(8)(b) (1988).

B. The Larson limestone quarry is a Large Mining Operation within the meaning of the Mined Land Reclamation Act because the surface disturbance caused by and associated with its mining operation as a whole substantially exceeds five acres.

ORDER

A. Within 30 days of the date of this Order, Larson Limestone shall submit a Notice of Intent for Large Mining Operations;

B. If, within 3 months from the date of this Order, the final permit has not been approved by the Division and a reclamation surety bond submitted and approved by the Board, Larson shall submit an interim reclamation surety acceptable to the Division and Board based upon the best information then available;

C. The Division will submit monthly reports to the Board during its regularly scheduled briefing sessions in order to keep the Board abreast of developments in this matter; and

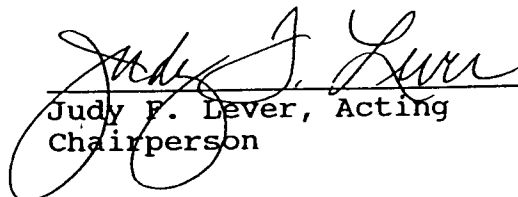
D. The Board retains continuing jurisdiction over this matter.

E. Pursuant to Utah Code Ann. § 63-46b-13 (1989), any party may file a motion for reconsideration within 20 days of the issuance of this Order. Any party may also file a petition for judicial review within 30 days after the issuance of this Order

pursuant to Utah Code Ann. § 63-46b-14 (1989).

DATED this 19 day of August 1994.

STATE OF UTAH
BOARD OF OIL, GAS AND MINING



Judy F. Lever, Acting
Chairperson

03/28/97

12:37

FAX 1 801 756 5179

ZION'S BANK AF

001

M/049/011

Zions First National Bank
American Fork Office
606 E. State Rd.
American Fork, UT 84003

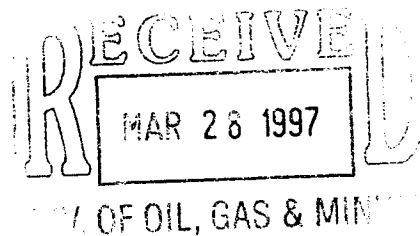
Facsimile Cover Sheet

Phone # (801) 756-1444
Facsimile (801) 756-5179

Date: 3/28/97

Recipient: TONY Gallegos

Sender: Bert Wilson



Please find 2 pages including the cover sheet.

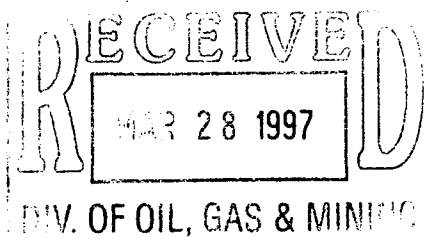
PLEASE NOTE: The information contained in this facsimile transmission is intended to be sent only to the stated recipient of the transmission. If the reader of this message is not the intended recipient or the intended recipient's agent, you are hereby notified that any dissemination, distribution or copying of the information contained this facsimile transmission is prohibited. You are further asked to notify us of the error as soon as possible at the above telephone number and return the facsimile documents to us immediately by mail at the address shown above. Thank you for your cooperation.

Comments:

ZIONS BANK

AMERICAN FORK OFFICE

Zions First National Bank
606 East State Road
American Fork
Utah 84003
(801) 756-1444



March 28, 1997

Division of Oil, Gas, & Mining

Atten: Tony Gallegos

Re: Reclamation of Larsen Limestone \$50,000. Bond

Zions First National Bank of American Fork has on deposit \$50,000.00 to be used as security until a bond is secured to meet the above requirement. Larson Limestone is at present working to secure a \$50,000 bond through Zions Insurance. The bond should be in place prior to 05/01/97. Zions Bank will pay on demand with this letter \$50,000.00 to the Bureau of Oil, Gas, and Mining upon default or if needed for reclamation of Larsen Limestone. This letter will expire at the time the bond is issued to Larsen Limestone for the Division of Oil, Gas, & Mining.

Sincerely,

Bert Wilson
Branch Manager